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IMF Executive Board Reviews Data Standards Initiatives

On December 10, 2008 the Executive Board concluded policy discussions on the [Seventh Review of the International Monetary Fund's Data Standards Initiatives](#) (Seventh Review).

Background

The Fund's Data Standards Initiatives aim to increase the comprehensiveness and timeliness of statistical information available to markets and the public, thus contributing to its member countries' pursuit of sound macroeconomic policies and the improved functioning of financial markets.

The Special Data Dissemination Standard (SDDS) was established in 1996 to provide guidance on disseminating data to the public for countries that have or might seek access to international capital markets. There are 64 subscribers to the SDDS, an increase of three since the Sixth Review of the Data Standards Initiatives (Sixth Review) in November 2005. Although subscription is voluntary, subscribers undertake to follow the SDDS requirements on the coverage, periodicity, and timeliness of national statistics under 19 SDDS data categories. Subscribers must disseminate advance release calendars, giving the public prior notice when these data will be disseminated. Subscribers also update and certify their stated practices (also referred to as "metadata") on the coverage, periodicity, and timeliness of the data, as well as on integrity, access by the public, and other aspects of data quality. The Fund posts this information about subscribers' data dissemination practices on its Dissemination Standards Bulletin Board (DSBB) at <http://dsbb.imf.org>. Subscribers are also required to maintain an internet website that contains the most recent releases of the data, referred to as a National Summary Data Page (NSDP), and to which the DSBB is electronically linked. The Fund uses the NSDP to monitor whether subscribers' data releases meet SDDS requirements. Annual reports on subscribers' observance of these requirements are also posted on the DSBB.

The General Data Dissemination System (GDDS) was established in 1997 as a developmental framework for national statistical systems to meet the evolving requirements of the user community. Through its plans for improvement of statistics, the GDDS also promotes a systematic approach to national statistical development as well as helping to focus and

coordinate the efforts of providers of statistical technical assistance. The DSBB contains the data dissemination practices and detailed plans for improvement of the 94 countries and territories participating in the GDDS. This is an increase of 14 countries since the Sixth Review. Six countries have graduated from the GDDS to the SDDS since the inception of the GDDS.

The Data Quality Assessment Framework (DQAF) has underpinned the assessment methodology of the data module of the Reports on the Observance of Standards and Codes since the Fourth Review of the Data Standards Initiatives in July 2001. The Fund has integrated the DQAF into a data quality program that includes its Data Standards Initiatives, as well as its data quality assessment and statistical technical assistance work.

Executive Board Assessment

Executive Directors welcomed the opportunity to review the experience under the Fund's Data Standards Initiatives and to consider proposals for their further refinement and consolidation. They generally considered the Seventh Review as timely, in particular given the ongoing financial turmoil and the general recognition of the importance of sound data for financial stability. Directors expressed broad satisfaction with the execution of the work program on the Data Standards Initiatives since the last review in November 2005.

Directors commended the authorities of member countries for their efforts to promote adherence to the initiatives, which have underpinned the increase in the number of members subscribing to the SDDS and participating in the GDDS since the last review. They considered that these initiatives have contributed significantly to enhancing data dissemination, transparency, and quality in member countries. Further progress in these initiatives, while being mindful of resource constraints, will be critical for the efficient operation of markets, and for effective surveillance, as well as the development of early warning capabilities. Directors looked forward to seeing the data initiatives' voluntary and cooperative approach result in the graduation of additional countries from the GDDS to the SDDS as they strengthen their statistical systems, and to the involvement of additional countries in the statistical initiatives. They highlighted the important role that continued outreach efforts and well-prioritized technical assistance will have to play in this regard.

Directors considered that the present financial turmoil has highlighted the importance of high quality macroeconomic and financial statistics for policymakers and markets. They welcomed the increased attention being paid to monetary and financial statistics, and concurred on accelerating work on financial indicators. Most Directors saw merit in identifying relevant additional financial indicators that could be included in the SDDS on an encouraged basis. They looked forward to considering specific proposals in this regard within a year, along with a proposal for an appropriate transition period. In taking this work forward, the staff should continue to consult widely. While some Directors called for a more ambitious timetable—possibly including an interim stage—others stressed the need to proceed with caution, given the costs involved and the implementation challenges, in particular regarding cross-country comparability of such indicators. In light of this, a number of Directors saw the incorporation of financial soundness indicators into the SDDS as premature, pointing to the need for further progress in the context of the Coordinated Compilation Exercise.

Directors supported efforts to enhance the quality aspects of the SDDS. Most Directors saw merit in modifying the SDDS to require subscribers to indicate where statistical practices deviate from internationally accepted statistical methodologies in their SDDS metadata. A few Directors suggested that such references be done on an encouraged basis. Directors agreed that existing SDDS procedures on metadata certification could be relaxed to allow annual rather than quarterly certification of metadata, although metadata updates would remain mandatory in the quarter if changes have occurred.

Directors encouraged SDDS subscribers to undertake and publish periodic data quality assessments, using a recognized data quality assessment tool. While the data module of the Report on the Observance of Standards and Codes provides a formal assessment of data quality, other internationally recognized assessment frameworks and peer reviews would be acceptable. Directors were of the view that reassessments should take place at no more than seven-to-ten-year intervals, where feasible. They noted that the decision on the type of assessment, and which agency would conduct the assessment, would be left to the subscriber.

Directors noted the staff's intention to modify, by July 2009, the treatment of exchange-traded futures (including those settled in domestic currency) in the Reserves Template to bring it in line with the recent discussion on the Review of Data Provision to the Fund for Surveillance Purposes.¹ A suggestion was made to increase the frequency of reporting and refine the breakdown of the currency composition of reserves.

Directors also favored further enhancements to the GDDS. They supported recasting the GDDS to emphasize data dissemination and facilitate graduation to the SDDS, including through closer conformity to SDDS specifications. At the same time, Directors recognized that greater emphasis on data dissemination should not detract attention from the developmental aspects of the GDDS, and will need to be supported by ongoing technical assistance, including externally-financed assistance.

In light of the discussion, amendments to the SDDS Annex and the GDDS document will be prepared by the staff and circulated to the Board for approval. Directors agreed that the next review of the Fund's Data Standards Initiatives should take place in about five years, or earlier if needed.

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¹ See the May 2008 [Public Information Notice on the review of data provision to the Fund](#).